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August 21, 2006

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Pamela Grubaugh-Littig Permit Supervisor Utah Division of Oil, Gas & Mining 1594 West North Temple, Suite 1210 Salt Lake City, Utah 84114-5801

> Horse Canyon Mine, Part "A," ACT/007/013 RE:

Dear Ms. Grubaugh-Littig:

Enclosed on behalf of UtahAmerican Energy, Inc. ("UEI"), are replacement pages and calculations regarding the redesign of Ditch 31 in the Horse Canyon file. Also enclosed are the C1, C2 forms.

Please contact Dave Shaver, Jay Marshall or me if you have any questions.

Very truly yours,

Denise A. Dragoo

DAD:jmc:409397

Enclosures

Mary Ann Wright (without enclosures) Steve Alder, Esq. (without enclosures)